

STATEMENT OF BRUCE BABBITT  
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BEFORE THE SENATE APPROPRIATIONS SUBCOMMITTEE  
ON INTERIOR AND RELATED AGENCIES

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I am pleased to be here at today's hearing on the FY 1996 budget request for the Department of the Interior.

The customary practice for opening statements at hearings such as this is to discuss in some detail the important elements of the President's Budget for the Department. I don't intend to do that today.

I believe the 1996 budget that we have presented is an excellent budget. It would continue the commitment of the President -- and the American people -- to sound management and conservation of the natural and cultural resources of our country. It would also strengthen our commitment to meaningful self-determination for Indian nations and their people.

However, both the Senate and the House of Representatives have adopted budget resolutions for 1996 that envision major reductions in funding for the Department and its programs. You have already heard about many of the details of our budget in hearings with several of the Department's major bureaus. I think that it is much more important today that I spell out my concern over the recommendations of the Budget Committees. These recommendations, if followed, will deny our children -- and their children -- the same enjoyment of our National Parks and other great natural resources that our generation has had.

I recognize and accept the need for deficit reduction and will address later in this statement what we in Interior have done and propose to do to reduce the deficit. For me, the test is whether reductions are made in such a way as to protect the core missions of the Department. We must maintain a level of operations funding for the land management bureaus that allows adequate resource protection and continued public access. We must maintain the independence of the Department's scientists to do objective science and provide them the resources to do the work that we need to wisely administer natural resources with the least possible impact on the private sector. And we need to continue progress towards meaningful tribal self-determination and self-governance.

The cuts proposed by the Budget Committees don't meet this test. In fact, they disproportionately target funding for operations of parks, refuges and the public lands, as well as funding for natural resource science. In the House of Representatives major and disabling cuts in Indian programs are also proposed.

Overall, the assumptions of the House Budget Committee call for reductions in Interior programs totaling 19 percent, or \$1.5 billion, below the President's Budget. The Senate Budget Committee's assumptions are spelled out in less detail, but the Committee assumes a 13 percent reduction from 1995 in the natural resources function, which covers most Interior programs.

By 2002, these deep and troubling cuts become far deeper. The Senate Budget Committee assumes a 29 percent reduction in natural resources programs in 2002, even without taking into account the impact of inflation. In the House, Interior programs would be frozen at the reduced 1996 level through 2002, resulting in a 33 percent reduction in constant dollars; funding in 2002 will be \$3 billion less than the level needed to continue services the Department now provides to the American public.

These cuts will not be abstract reductions in "bureaucracy" or "duplication and waste". By any standard, Interior spending has been constrained for more than a decade. In 1980, the budget of the Department of the Interior constituted 1.6 percent of discretionary Federal spending. Today it is 1.3 percent, a decline of almost 20 percent.

The dollars appropriated to the Department in 1995 represented a reduction in real terms, after accounting for the costs of doing business, of 22.3 percent from 1980. In that period of time, our responsibilities have not correspondingly declined. National park visitation was 198 million in 1980. In 1996 park visitation will be an estimated 276 million. Visitation to refuges is also up sharply. Recreational use of the public lands has exploded. The Native American service population for the Bureau of Indian Affairs has increased by more than 60 percent.

About 80 percent of funding is in operational accounts and pays for day-to-day, on-the-ground work by park managers, refuge staffs, working scientists, and BIA and tribal workers at the reservation level. The cuts assumed by the Budget Committees, if carried forward in appropriations bills, will of necessity mean that front line workers will be removed from the land. There will be draconian impacts on keeping public facilities open and available to the public; there will be a draconian impact on the West; and there will be a draconian impact on Native Americans.

To illustrate the impact that the Department is facing, I want to talk about the five programs specifically mentioned in the Senate Budget Committee's report:

**National Park Service** Senate Budget Committees recommends a \$108 million, or 10 percent, annual cut in operations funding for the National Park Service, followed by a freeze through 2002. The same level is recommended by the House Committee. By the year 2002, park operations funding will be \$360 million below the level of 1995 in real terms, even though park visitation is projected to significantly increase. This is a 27 percent reduction. The House Committee also

proposes a freeze on land acquisition and a 50 percent reduction in construction, for an overall 36 percent NPS reduction by 2002.

Some members of Congress have argued that NPS could save money by closing parks. I oppose park closure on the merits, but it is not, in any event, the simple budget solution some would have us believe. Most of the NPS operations budget goes to parks such as Yellowstone and Yosemite and to other large parks with high visitation. Few would advocate closing these parks. Smaller parks cost less money. The 25 least visited parks will cost \$14 million in 1996, 2 percent of park base funding. To achieve the full \$108 million reduction by shutting parks would require massive closures of parks. If you shut the least expensive parks first, 200 parks would be closed; or one could close 6 to 10 of the largest, most expensive, and most popular parks.

There are no easy answers as to how the Park Service would operate with reductions of this magnitude. At the outset, one would try to preserve parks and public access by cutting around the margins. Hours and seasons would be shortened. Interpretive programs would be sharply curtailed. Some campgrounds, visitor contact facilities, and historic buildings would be closed. The number of seasonal employees would be cut back dramatically, perhaps as many as 5,000 individuals; many long time seasonals would be denied employment in 1996. However, the point will quickly come when parks cannot be kept open. When we cannot protect the resource and the safety of the visiting public at any given park, there will be no choice but to close.

**Fish and Wildlife Service.** The Senate Budget Committee's assumptions would reduce Fish and Wildlife Service operations by \$51 million, or 10 percent, below 1995. As with NPS operations, this becomes a 27 percent cut by 2002 as salaries, utilities and equipment costs increase. The Service will have to close or mothball a significant number of National Wildlife Refuges, adversely impacting stopover feedings and resting areas for migratory waterfowl. The first-year closure could range from 30 to 75 refuges. For the remaining refuges, public access and recreational activities will be curtailed.

When I appeared before this Subcommittee last year, Senator Nickles and I had a spirited colloquy over so-called "secondary" uses of refuges. Senator Nickles was quite concerned over potential restrictions on rock climbing at the Wichita Mountains National Wildlife Refuge. The issue then was compatibility with refuge purposes. The issue if the Budget Committee's recommendations are adopted will be dollars. The Refuge System was established to provide wildlife habitat and protection. With limited dollars, the Fish and Wildlife Service will not be able to devote as many resources to secondary uses as it has in the past.

**Public Lands.** The Senate Budget Committee recommends a 10 percent reduction in BLM operational funding. The House Committee recommends a staggering 20 percent reduction. The House Committee states that BLM savings would come

from eliminating or reducing "low priority" items, such as fixed costs, administrative support, and information systems, as well as "low priority" programs, such as the Adopt-a-Horse program. In reality, buildings, rents, telephones, and computers are essential tools. To pay for them, BLM would have to reduce on-the-ground services. BLM would be forced to drastically scale back services to a wide array of public land users: the mineral extraction industry; the livestock industry; the timber industry; recreational users; and hunters and anglers; as well as local, regional, and State governments.

**National Biological Service.** Both the House and Senate would abolish the NBS and cut biological science funding by more than one-third. NBS was created to remove biological science from regulatory programs. Its sole function is to tell us about our biological resources. It doesn't regulate, it doesn't enforce, and it doesn't take actions against people or businesses. Returning NBS's programs to the Fish and Wildlife Service and other bureaus would be a step backwards from assuring that our scientific research, especially research related to regulatory policy, must be rigorously objective and impartial, free of any regulatory bias or preconceptions. Further, it would negate the advantages and economies being realized through combining scientific assets and information sharing, while forcing the Department into a costly exercise to abolish the NBS. The funding cuts in biological science, as described in the Budget Committee reports, would target long-standing programs of great importance, some decades old, including the Breeding Bird Survey, the Federal-State cooperative GAP analysis program, the Great Lakes fish stock assessment program, and the North American bird banding programs.

**Bureau of Indian Affairs.** The Senate Budget Committee's report acknowledges the trust relationship between the U.S. Government and Indian tribes and states that programs serving Native Americans through the Bureau of Indian Affairs should be given priority consideration for ongoing Federal support. On this one point, I agree with the Committee. However, I would be concerned if the Committee assumes that commitments to Native Americans can be met with a budget frozen at current levels for seven years. Given the needs in Indian country and population growth trends such an assumption would not be realistic.

The House Committee's recommendation is much more troubling and disturbing. The Committee proposes to "reinvent" BIA by providing block grants to tribes, "rather than engaging in the direct provision of services or the direct supervision of tribes." It is claimed that this would save \$1.5 billion over seven years. The Administration believes in tribal self-determination. We have proposed significant increases in the share of the BIA budget that is subject to tribal priority allocations and we have supported increased tribal contracting and compacting of BIA programs. Block grants are not self-determination. They are more akin to the failed 1950's policy of termination. The Self-Determination and Self-Governance programs are collaborative government-to-government processes in which tribes and the Federal government work to shift responsibility, and commensurate funding, to the tribes. The block grants envisioned by the House Committee would

shift responsibility, without even the current level of funding, to the tribes. The Federal government would walk away from its historic and legal obligations to Native Americans.

**Reducing the Deficit.** I was asked by a reporter the other day whether I believed there was a need for reductions in Interior programs to contribute to deficit reduction. My answer is that we have worked hard to constrain spending and to develop proposals to contribute responsibly to shrinking the deficit.

Our 1996 budget does represent an increase over 1995, but, in fact, it does nothing to close the gap that has developed over the past decade and a half. For funds subject to annual appropriation by the Congress, the 1996 budget for the Department seeks a net discretionary total of \$7.56 billion. This is a modest increase of \$215 million, or 2.9 percent, over 1995, but is only \$40 million, or one half of one percent, more than the amount provided for the Department in 1994. Between 1994 and 1996, our cost of doing business as a result of pay increases and other uncontrollable changes will go up by 4.8 percent. At Yellowstone National Park this is equivalent to losing the salaries for 23 full-time staff members.

Since 1994, the Department has made substantial progress towards reducing bureaucracy and management layers and strengthening our on-the-ground delivery of services. The Department is already more than two-thirds of the way to its announced goal of reducing FTEs by 6,800 by 1999. Headquarters staffing will have been cut by 49 percent by 1999; the number of supervisory personnel will be reduced by 59 percent. Savings are also being achieved through reengineering of administrative processes in areas such as personnel, procurement, financial management, and information resources management. As a result of these efforts, the Department's budgets for 1994 through 1996 have reflected streamlining reduction amounts and administrative savings totaling almost \$250 million.

In addition to streamlining savings, the Department's 1996 budget reflects significant programmatic savings. The Bureau of Mines is proposed to be reduced to \$133 million as a result of an internal Bureau program review, a reduction of 22 percent from 1994. The Bureau of Reclamation, which is, of course, under the jurisdiction of another Subcommittee, is reduced by \$47 million, reflecting its transition from water project construction to water resource management. Termination of several lower priority programs in the Office of Surface Mining, U.S. Geological Survey, and Bureau of Indian Affairs with five year savings totaling almost \$100 million is also proposed.

Most significantly, as part of the second phase of the Administration's National Performance Review, we have reexamined all of Interior's activities to identify programs and functions that could be consolidated, privatized, reorganized, eliminated, or handled more efficiently by State governments. What we asked ourselves was this: In order to use limited dollars to support our core missions, are there things that are not central to our missions that we can stop doing? Operating a

National Park System that is reflective of the natural and cultural resources of the Nation and is available to all of the people is something the Federal Government should do; operating commuter parkways in the Washington metropolitan area is not. Preserving the nationally significant values of our public lands is a Federal responsibility; collecting royalties from oil and gas companies, half of which go to the States anyway, is something that can be delegated.

As previously announced, our NPR II proposal contains major restructuring recommendations, including abolishing the Minerals Management Service and the Office of Territorial and International Affairs, program terminations or devolutions in several agencies, and significant revenue from the sale of offshore royalty streams. Savings will total \$3.8 billion in revenue and budget authority over five years.

Mr. Chairman, deficit reduction is critical to the Nation. But it must be done carefully and thoughtfully. I am no more interested than any Member of this Subcommittee in leaving my grandchildren with huge interest payments on the debt. But I am also committed to leaving for my grandchildren an environment they can enjoy -- one that will not poison them. I want to leave for the American people National Parks that will be a true library of the natural and cultural heritage of America; wildlife refuges that teem with the wildlife that I observed and enjoyed as a young man; public lands that can meet the economic and recreational needs of a continually growing West; and Indian nations that are once again strong and self-governing and able to preserve their cultural heritage.

This concludes my statement. I will be happy to answer any questions you may have.